Introduction

The Quest for Global Security

Protection Without Protectionism and the Challenge of Global Governance

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In countries around the world, ordinary citizens feel under threat: As this book goes to press, citizens in the advanced industrial countries worry about their jobs and about their future and that of their children. Will they be able to retire in comfort? Will governments be able to deliver on the retirement benefits they promised? Although those in many of the emerging markets have never had things so good, they understand the precariousness of their fortunes.

For those who see their way beyond the immediacy of the economic crisis, there are more insecurities—from violence, whether the home-bred domestic variety or that of terrorists from abroad. And further into the future lie the risks posed by climate change.

In other parts of the world, this gradation of risk operates the other way round. The threats of violence and climate change are experienced as immediate dangers. In zones of insecurity, people are killed, raped, robbed, expelled from their homes, kidnapped, or taken hostage. And in environmentally vulnerable areas, they are the victims of excessive flooding or of famine on an increasing scale. And beyond these immediate dangers, they are often extremely poor, living on less than a dollar a day, without access to clean water and sanitation, healthcare, jobs, or even homes.

To be sure, individuals have always faced risks. Farmers were exposed to the variability of weather. Those in coastal areas worried about marauding pirates. There were always earthquakes, hurricanes, and droughts. But today's risks are unpredictable, with what statisticians call "fat tails," small probabilities of very, very bad outcomes. In the global financial crisis, exports of some countries fell by more than 30 percent. In some countries, youth unemployment has reached 50 percent.

Moreover, many of these risks are global in nature. And this means that they may be beyond the ability of individual countries' coping capacity. In traditional farming communities, the community provided a support system for those who were temporarily facing hardship. As the nation-state formed, responsibility for social protection shifted to the state and for good reason. Some of the most important risks affected virtually everyone in the community; the risks were highly correlated. The nation-state had fiscal resources that were greater than that of the individual or the market.

In some ways, today the small nation-state is like the small rural community: Many of the risks are national in character—such as a national economic downturn. Small countries feel at the mercy of events beyond their control, and they face limited resources. There is little that Greece or Ireland can do to restore their own economy. If the European and global economies prosper, their economy will prosper; and if these economies do not, neither will theirs.

There is, however, a difference: Most of the risks facing farming communities were from acts of nature—a flood or drought. Many of the risks facing countries today are man-made. Policies at the national and global level affect both the risks that individuals and countries face and their capacity to respond.

Globalization has increased the scale and velocity of risk. A problem anywhere in the system can move quickly across borders. We saw how the subprime mortgage crisis in the United States quickly became a global crisis. Avian flu and SARS showed how diseases too could move quickly around the world. Terrorism—al-Qaeda—has become global. Trying to deprive it of a homeland in one country does little good; it quickly shifts its base of operations elsewhere.

Even though globalization has increased risks in these ways, it has simultaneously decreased the ability of the nation-state—the political unit that in the preceding decades had increasingly taken on the role of protection—to perform these roles. Of course, the extent to which this is true varies. Large nations such as the United States or China retain an independent capacity to act. Middle-ranking nations have often ceded sovereignty to larger entities such as the European Union (EU), while some smaller states have become so weak that they are termed fragile or failing states. Globalization has undermined the state's abilities in several ways. First it has, whether intentionally or not, reduced the power of taxation, particularly of capital. As capital became more mobile, it could move more easily from any jurisdiction in which it was (in its view) excessively taxed or regulated to another jurisdiction where it was more favorably treated. Labor, for the most part, did not have that option of easy mobility. But at least part of social protection is protecting the poor and the most vulnerable, and these implicit restrictions on revenue-raising from those most able to contribute left many states bereft of the funds required for an adequate social protection system.

Not only was the state potentially eviscerated through these limitations in taxation, international rules and standards were established that restricted the freedom of the state to act in ways that might protect its citizens. Implicitly, more and more of the legislative power was delegated: Rules for trade and finance were set, at least partially, in the international arena. Trade agreements, for instance, forced governments to substitute tariffs for quotas; and although there are some advantages of tariffication, the change also exposed countries to more risk (Dasgupta and Stiglitz 1977). Until recently, trade agreements and the International Monetary Fund (IMF) pushed countries toward capital and financial market liberalization—the abolition of regulations that helped stabilize cross-border capital flows, resulting in increasing macroeconomic volatility (Stiglitz et al. 2006).

Globalization has also eroded the monopoly of violence—often regarded as the defining characteristic of what makes a state. Only a few large nations such as the United States, Russia, China, or India still retain the capacity to use their military forces unilaterally, although even they are theoretically bound by the UN charter that prohibits the use of force except in self-defense or if authorized by the UN Security Council.[1] For most states, their forces are integrated into collective security arrangements such as NATO or the EU, and their budgets are insufficient to finance all but limited provision of security services. In many states, the capacity to enforce law and order and to protect people even from everyday crime is also greatly weakened and reduced to their only having the capacity to protect the ruling elites.

Of course, governments voluntarily ceded sovereignty but especially smaller countries felt they had little choice. If they didn't go along with the international agreements, they risked becoming pariahs, or at the very least not partaking of the benefits that would come from global economic integration. They might console themselves that these were agreements made among democratic governments, so that even if their own democratic institutions had had little role in crafting them, at least other democratic voices had been heard. But that was only partially true: Economic agreements were typically negotiated by ministries (such as that of trade and industry) and usually more closely linked to special interests. In the United States, trade agreements were approved on a fast-track basis, which meant that Congress could only vote yes or no, without any say in the provisions that went into them. Only when civil society groups mounted a concerted campaign, for instance, to give poor countries some access to life-saving drugs was the power of the pharmaceutical companies to dictate the terms of the intellectual property provisions effectively challenged.

In one way or another, the world has long been globalized—to which colonialism and two world wars bear testimony. But globalization only became a subject of controversy—it only became "visible"—after the end of the Cold War. The bipolar order had dominated the way we perceived the world. Growing interconnectedness and the prevalence of new and old risks were obscured by our preoccupation with the East–West conflict. The binary thinking to which we were habituated allowed the collapse of communism to be interpreted as a victory for the United States. This interpretation was also a victory for a particular set of ideas that assumed increasing ascendancy in the years after the Cold War, a period that saw the United States become the sole superpower. American-style capitalism, based on notions that free and unfettered markets were the best form of economic organization, reigned supreme.[2] Unbridled U.S. military power would assure a Pax Americana. America's military machine, triumphant from its victory in the Cold War, faced a slight downscaling under President Clinton, but still, the United States was spending close to 50 percent of what the entire world was spending on defense.[3] Without any apparent enemies, the amounts seemed disproportionate.

The Rising Risk of Protectionism

That easy world has now been irrevocably disturbed. The events of 9/11 brought home the point that all of that spending didn't suffice to protect the United States from a terrorist attack inside its own borders. Iraq showed that all of that spending—and much more—could not assure an easy victory against a fragmented and disorderly set of enemies. Western troops will withdraw from Afghanistan in 2014, but it is unlikely that Afghanistan will be any safer. Indeed, it is fair to say that the United States is yet another country in a long line (which included Russia and the UK) to have to admit defeat in that mountainous terrain. Increasingly the War on Terror has transmuted to a long-distance campaign of drone strikes, which may be successful in killing the leaders of al-Qaeda but contributes to a pervasive and disorderly sense of insecurity in those regions where the campaigns are conducted. And this war, rather than containing the insecurity presented by al-Qaeda and terrorists, has—at least to some extent—spread it. It has now spilled over to Pakistan, Yemen, and parts of Africa.

And America's economic machine, on which all of its military and other strengths rested, was showed to be more fragile than even its harshest critics had suggested. The economic crisis exposed a dysfunctional financial system that enriched itself at the expense of others by predatory lending and by dishonest and anti-competitive practices—not by feats of economic wizardry that had led to an economy that was truly more productive, as it had claimed. It showed a country where most citizens had seen their income decline for more than a decade; a country that, to maintain internal law and order, had to imprison a larger fraction of its citizens than any other; a country that, as it projected military strength abroad, was marked by high levels of violence at home.

There is no longer confidence in the ability of free and unfettered markets to assure economic security. And there is no longer confidence in the ability of the United States to assure the world of its military security, let alone the security of the rest of the world.

In the absence of this security, inward retreat is a concern. In the economic sphere, what such a retreat would mean is clear: It would almost surely entail a high level of protectionism. In the security sphere, this would result in another kind of protectionism—where groups of individuals turn not to the state as the source of their physical security but to their own devices—that of the private security company in the gated community, the ethnic militias in sectarian conflicts, or the drug cartels or the mafia in many global cities. But the danger is that even when these new privatized groups were originally intended to provide protection against outside threats, they can easily turn against and/or exploit the very people they were supposed to protect. This is what is increasingly happening.

Globalization has brought with it problems, but it has also brought with it benefits. It has contributed to the spread of democracy and human rights. And, when well-managed, globalization has even contributed to economic prosperity. It has contributed to moving hundreds of millions of people out of poverty in the developing world. The worry is that mindless protectionism will be costly to those very people who have gained from globalization—to those in the developing world who have benefited from the unprecedented global growth of the past half century, as well as to those in the developed world, who enjoy the bounty of inexpensive goods even as jobs become threatened. Protectionism means the risk of losing all of this.

Social Protection Without Protectionism

There is an alternative path, a reordering of the global economy and society, which entails social protection without protectionism. By social protection, we mean far more than just an economic safety net for those at the very bottom. That's not good enough for those in the middle who see their lifestyle in jeopardy. They want some security against any significant loss in living standards.

The issue of protection of society, as we conceive it, goes far beyond economics. Citizens are worried about the environment and their physical security. In the United States, they worry too about access to healthcare. Everywhere, there are worries among all but the very rich about whether citizens will be able to have a comfortable retirement, and whether their children will be able to live as well as their parents.

In many countries, citizens are being told that, although the market may not provide the hoped for security, neither can government. We simply can't afford it. The competition resulting from globalization, it is said, forces us to be meaner and leaner, and that means we have to scale back social protection. But there is a curious irony in such claims: Globalization is defended as enriching living standards; yet, it is said, globalization prevents society from providing one of the essential things individuals care about—security.

We believe that such a conclusion is wrong. Globalization is supposed to have increased GDP, and if so, it should have increased the resources we have available. We have choices about what to do with those resources: We can (as the United States has been doing) devote large amounts to the military and incarceration. We could, alternatively, devote more the resources to social protection. If we fail to pursue policies that result in most citizens being better off as a result of globalization, there is likely to be a retreat, toward protectionism.

We subtitle this book "Protection Without Protectionism and the Challenge of Global Governance" because the retreat in economics to protectionism is a metaphor for what could happen in these other arenas—in the fiction that by retreating into their own shells, countries can insulate themselves from these risks coming from outside their boundaries. Likewise, the protectionism of local strongmen and private guards can never be more than temporary and will only exacerbate a growing market in violence. The gated communities with their high walls are symbolic of such attempts—and reflect the fact that even though the forces giving rise to insecurity may be global, the impacts and responses are often local.

The Need for Global Responses

Local and national responses will never be fully adequate in dealing with these global problems. This is most evident in the arena of global warming—maintaining the global environment is called a global public good. Everyone, regardless of where they live, is affected by the increase in carbon concentration in the atmosphere, or the emergence of ozone holes. If the global consensus in the scientific community proves correct, America's carbon emissions will have devastating effects on faraway places, from island states that within a century will no longer exist, to a third of Bangladesh that will be submerged. Economists focus on incentives—and under current arrangements, those in the United States do not bear the costs of the "externalities" that their actions have on others, and so they have little incentive to reduce their emissions. There would be large global societal benefits from having individuals and firms in the United States (and other polluting countries) bear the full costs of their actions. Such disparities between social and private benefits and costs provide part of the traditional rationale for collective action.

Sometimes, the effects of the externalities (or the benefits of public goods) are felt only locally. (In the case of public goods, these are referred to as local public goods.) In that case, the natural locus of collective action is local. Sometimes, the effects are felt nationally, and the natural locus of collective action is national. But increasingly, externalities and public goods have a global reach, and so collective action should occur at the global level.

Otherwise, there is the risk of a “free rider.” If all countries but the United States were to restrict their emissions enough, the world might avoid at least the worst risks of global warming, yet the United States would be able to continue to enjoy its energy- and its emissions-profligate lifestyle. Others will, of course, view this as unfair, and their citizens might refuse to support emissions reductions. Without a global agreement—a global social contract, a new covenant—at best there will be too many emissions; at worst, there will be no agreement at all for emissions reductions.

The Inadequacies of Current Arrangements

The approach pushed by the United States—where each country announces its own targets for emission reductions, and there is a global agreement on transparency to see that countries live up to their own targets—is likely to prove inadequate. It does not address the free rider problem at all. Worse still, it encourages countries to be modest in their targets—if the locus of criticism is on failing to live up to one’s targets, then the easiest way to avoid criticism is to set low targets. This is especially true in a context where there are not even agreed-upon norms. To the developing world (and even among many in the developed world), the only “fair” set of targets would be those where each country has (per capita) the same rights to atmospheric carbon space. For example, if the aggregate amount of emissions that the world could absorb from, say, 1992—when the problem of global warming was formally recognized by the international community—onward in order for global warming of more than two degrees centigrade to be avoided with a probability of 75 percent is so much, then each country should have a share of that space in proportion to what its population was in 1992. This means that because the United States has used up much of its carbon space in the two decades of unrestrained emissions, it should reduce its annual emissions by far more than 90 percent in the future. If it reduces its emissions slowly, then it will have to reduce its emissions in the future even more. But to many Americans, the relevant norm is emissions per dollar of GDP—and in these terms, the United States is “better” than China. With such disparities in how each country conceives of what its “fair” contribution to reducing emissions should be, and with such perverse incentives in announcing targets, an approach where it is left to each country to announce its own commitments for emission reductions is unlikely to work.

The problems confronting the international community in dealing with global warming are illustrative of those that appear in so many other areas. Globalization allowed products produced by one country's financial markets to be sold freely elsewhere. America polluted the world with its toxic mortgages. Inside the United States, there is a principle in environmental economics that says that polluters should pay for the damage that they create. It is called the *polluter pays principle.* It is a matter not just of equity but also of efficiency: If polluters do not bear the consequences of their actions, they have incentives to pollute too much. This principle is the basis of U.S. laws on the clean-up of toxic waste dumps. But America bore none of the costs of cleaning up the consequences of the toxic assets that it dumped around the world. Its bankers made profits; those elsewhere bore the losses. If global rules allow the United States to continue to sell its defective products elsewhere without bearing the consequences—and if buyers elsewhere continue to buy these products—then there is no reason either for American firms not to sell these products, or for American regulators to curb its firms. To the contrary, there can be a race to the bottom. The jurisdiction with the least onerous regulations and taxation may garner for itself the most business. Interestingly, in the recent debate on financial regulation (and in particular in discussions on a global bank levy, to help pay for the costs imposed by banks on the rest of society), the United States took the same position that it took in climate change: There should be no global rules. Each country (in the position of the American administration) should set its own levies. But that cannot be the basis of standard setting in a world with global competition and free capital mobility—where the race to the bottom results in such adverse effects.

And the same argument can be applied in the security sphere. America's wars in Iraq and Afghanistan against al-Qaeda have had the opposite effect of recruiting more young men to the Islamist cause, and the victims have been primarily Afghans and Iraqis but also, of course, Spaniards, Indonesians, Londoners, and Americans as well. The use of military force in areas where everyday social protection (against violence and material deprivation) is lacking only makes things worse—escalating a range of cross-border risks such as terrorism or organized crime.

There are, of course, realists that say this normative approach is irrelevant; all that really matters is power. Power resides in the nation-state and, in the international arena, in the most powerful of the nation-states. The United States uses international institutions and preaches the gospel of globalization when it is convenient—when that policy advances its own interests. Thus, the global institutions are mainly instruments for the projection and continuation of existing power relationships. Consider, for instance, the issue of development: The UN may be a democratic talk shop, but real power lies in the IMF and the World Bank, still effectively controlled by the advanced industrial countries.

Much of the international discussion over global governance fits within such a mold. In the East Asia crisis, the United States resisted Japan's proposal—and offer of $100 billion—for the creation of an Asian monetary fund, which arguably could have led to a shorter and shallower downturn in the region and enhanced regional stability going forward. It did so, presumably out of fear that it would diminish U.S. influence, its hegemony, and that of the IMF, where it had veto power.[4,5]

More recently, the G20 endorsed the idea that the heads of the international organizations be chosen on the basis of merit, rather than the current system, where the head of the World Bank is always an American, and the head of the IMF is always a European. But even key heads of foreign governments that pushed the idea were concerned about why the United States may have gone along: The IMF was more central to U.S. interests than the World Bank, and the new agreement may simply have been paving the way for the World Bank to be headed by someone from the developing world and the IMF to be headed by an American. But in the first two appointments made after the G20 agreement (at the IMF and the World Bank, respectively), the status quo was maintained: A European was chosen to head the IMF and an American to head the World Bank—even though, in the latter case, excellent candidates from the developing world—with far more relevant experience than the American candidate—were nominated. The global economy is changing rapidly, but global governance is changing far more slowly.

Still institutions, once created, take on a life of their own, whatever the motives of those who were instrumental in their creation. The United States may have seen the World Trade Organization (WTO) as a way of getting other countries to open their markets, but the international rule of law—flawed as it may be—has provided a check on U.S. protectionism. America's cotton subsidies have been declared to be WTO-illegal. And yet, things didn't work out the way that most thought: Rather than eliminating its subsidies, the United States bribed Brazil to accept its subsidies. Brazil was compensated, but the far poorer people in Africa remain victims of the lower cotton prices brought on by America's cotton subsidies.

So too, the euro has taken on a life of its own. The European Union and the eurozone can be viewed as an experiment in economic integration. Things have not gone as predicted. This has been especially clear as the eurozone crisis has unfolded, with Spain and Greece in deep depression and no end in sight. The construction of the euro was fatally flawed—a monetary union was established without a fiscal, banking, or a political union. Now there are fears that the euro will collapse leaving a trail of beggar-thy-neighbor policies that will reduce economic prosperity and contribute to pervasive insecurity not just in Europe but worldwide. The euro will only be saved if European states are ready to cede much more power to collective institutions, a sort of model of global governance.

Global Governance Without Global Government

Today we have a system of global governance without global government—an array of institutions and agreements (global, regional, bilateral) affecting every aspect of life. It is an imperfect system, one which, as we have seen, imperfectly addresses many of the key areas where there is a need for global collective action. Yet in many areas it has been moving in the right direction. Global norms have been or are being established, such as those concerning human rights and civil liberties. In the Great Recession of 2008, even though many countries (including the United States) resorted to protectionism, they did so to a far less extent than they did in the Great Depression, partly because of restraints imposed by the WTO and global pressure brought to bear by the G20.

The silo nature, through which global governance functions—with trade ministers, for instance, negotiating with trade ministers—inhibits the ability to take systemic perspectives and provides excessive scope for special interests to exercise their influence. One result is that we sometimes impose standards where we shouldn't, and we don't have them where we should; and often the standards that are imposed are more reflective of corporate interests than of general interests.

Another major limitation on global governance is the inadequacy of enforcement mechanisms. Yet even here, there has been some progress. The Montreal convention restricting ozone-destroying gases was effective, partly because of the threat of trade sanctions against any country violating the agreement.

Countries have been granted the right to impose tariffs in the interests of global environmental public goods (in the shrimp-turtle appellate decision).[6] European courts have barred extradition to the United States when U.S. punishments are out of line with international norms.

Part of the reason for progress in global governance is the growing recognition that many of the problems are beyond the ability of any single state—even the most powerful and the richest—to solve, especially when it is constrained by new norms, such as on the uses and abuses of that power. Financial constraints too have played a role. If the United States believes that it is providing a global public good in its fight against terrorism, it is no surprise that it should expect others to make a contribution to the costs of this war. The United States has turned to its allies to help in the war in Afghanistan. But it has failed to understand that global cooperation, in a world without global government, is built on trust and on shared understanding. If the United States refuses to respond to concerns, say, of European countries on issues that they view as vital—such as climate change—it will inevitably be more difficult for the United States to elicit support in areas that it views of vital concern to itself, such as in Afghanistan. And if it seeks financial support, the United States must also realize that it will not get that support without ceding some control over decision-making. For instance, many other countries are skeptical that terrorism can be addressed through military force; they fear that the War on Terror is creating terrorists. A move toward global governance must entail a public global discussion about the best ways to deal with the risks and dangers of our contemporary world.

Thus, there are deep contradictions in our current system of global governance that reflect and sometimes conceal the large imbalances in economic, political, and military power and inconsistencies in underlying ideologies. We speak of democracy, and yet few in the advanced industrial countries would support a global system based on one man, one vote. The advanced countries are even reluctant to cede power to those from the emerging markets, even as they seek their financial assistance and even as they recognize the enormous changes in the global balance of economic power that have occurred in recent years. We speak of open markets, and yet we worry about being flooded by products from low-wage countries. We may cover up our distrust of open markets by talking about fair trade, but surely we must understand that changing global comparative advantages will put the wages of highly paid workers in the advanced industrial countries in jeopardy. We speak of human equality, yet the lives of Afghans and Iraqis or Somalis matter less than the lives of Americans or citizens of NATO countries.

Exceptional Times

These are exceptional times. The world is facing a series of cataclysmic events—the financial crisis of 2008, the current euro crisis, the Fukushima nuclear accident, the revolutions in the Middle East. Exceptional times are times that allow us to see new patterns and that open up new ways of understanding the world. They are moments when marginalized groups are able to introduce their ideas into public opinion. A sizeable body of citizenry in the United States and other countries has become cosmopolitan—seeing the world through a lens of global social justice. The activists involved in the Arab awakening and the Occupy movement in Europe and the Americas are widening this lens to a broader population. They are challenging the prevailing orthodoxies and developing a critique of the way in which national political elites are more responsive to global corporate and banking interests than to their own electorates. Even if these movements have not (for a variety of reasons) brought about the political changes that many hoped, it is clear that the current wave of popular mobilization is striking a chord with the mainstream. This is a new global generation that takes interconnectedness and communication across the world for granted. They represent a possible starting point for a new global debate.

Ideas matter, and ideas about what a fair and just world—and a fair and democratic system of global governance—might look like are shaping debates about globalization and about how it could be managed better. Even in comparison with the moment when we organized our conference, we believe that the arguments and proposals in this book are becoming increasingly relevant for any systematic analysis of current global risks and problems. We hope that the ideas presented here will help in articulating the questions that we should be asking and providing at least the beginnings of answers.

This book is part of a rapidly developing new field of globalization and global governance that focuses on the global community and global collective action. It is distinct from international relations, which focuses on relations among nation-states. Nation-states are key actors in globalization, but they are not the sole actors. There is no global government, but there is, as we have noted, a complex system of global governance. At the center, of course, are international institutions, such as the IMF, WTO, the World Bank, and a host of international conventions and treaties helping to create a global legal framework. International NGOs and social movements help shape global policy. And increasingly, the reach of global law extends down below the level of the nation-state to that of the individual and is reflected in the establishment of the International Criminal Court or the UN agreement on the "responsibility to protect."

This book looks at what has traditionally been one of the central responsibilities of the nation-state—providing security to its citizens, protecting them against risks posed, for instance, by the threat of violence, economic disorder, or environmental hazards. As we have noted, today many of the risks come from beyond the nation-state and have to be addressed globally. This book is unusual in bringing together discussions of three arenas that are typically covered by scholars from distinct fields. Security experts, environmentalists, political scientists, sociologists, and economists seldom break bread together, let alone engage in analytic discussions or in policy debates. We brought these disparate scholars together partly because we believe that there are strong parallels between what is going on in each of these areas—a study in one arena may provide insights into the others. But there is an even more profound reason why these topics need to be addressed together: They are inextricably intertwined. The failure to provide a modicum of economic security is giving rise to extremism, which may manifest itself in violence and physical insecurity. Violence, in turn, impedes growth and leads to economic insecurity. Today, in many parts of the world, climate change is bringing droughts, floods, and unparalleled levels of economic insecurity. And if the consequences of this economic insecurity in places such as Pakistan are not addressed better than they have been, there is more than a little risk that already high levels of violence will worsen.

The problems are intertwined but so too may be the solutions. Insurgencies may be arrested through providing greater economic protection. The attempt to reduce carbon emissions can create new jobs that will be an engine of growth for the global economy for years ahead.

We stand at a halfway point: The nation-state still remains at the center, but it is not up to the task of adequately protecting citizens from the threats—economic, physical, environmental, and health—that arise from outside its borders. The international community is not yet at the stage of providing protection or even of mitigating adequately the risks.

In some cases, the international institutions that have been created are so flawed that they may even be exacerbating the risks. Yet, there is a beginning. There are nascent institutions; there is a promise that they will rise to the task ahead, or at least do better than they have in the past. The chapters in this volume are descriptive and prescriptive: They describe where we are in global governance today and point to what needs to be done in the future.

The chapters in this volume provide a convincing case that the world can provide "protection without protectionism" in each of the arenas that we examine: That economic, physical, and environmental security can be enhanced best by global cooperation, far better than can be achieved by withdrawing behind closed doors. That this is the better way is clear. Whether it is the path the world will take is less so.

This volume is divided into five sections. The first three sections discuss key areas in which insecurity has manifested itself: economic insecurity, physical insecurity, and climate insecurity. But although the threats that arise in each of these areas can only be addressed through the lens of globalization, they play out at every level. Indeed, it is often at the most local level, within cities, that we see their full effects. The fourth section examines some of the challenges posed to local communities. Finally, part 5 discusses the implications for our evolving system of global governance.

Notes

1. Although the enforcement capability of the UN may be limited, increasingly citizens within countries feel reluctant to engage in war without the sanction of the UN.

2. At the same time, America's dominance of the international scene meant that it no longer had to compete for the hearts and minds of those in the Third World. It could now impose its interests (or more accurately, its corporate and financial interests) on those elsewhere, cloaking them with a free- market rhetoric.

3. In 2000, U.S. military expenditure was 41 percent of world military expenditure in current U.S. dollar reference (World Development Indicators, World Bank, 2010).

4. Even if the United States had not opposed this initiative, it might not have been brought to fruition, but U.S. opposition ensured its failure.

5. So too, the United States opposed the UK's proposal for the creation of a strong Financial Stability Board (FSB) that would help create stronger financial regulatory standards—of the kind that might have avoided the crisis ten years later—because that would cede power to a body that might be pushing in a direction that was the opposite of the dangerous deregulatory agenda that the U.S .Treasury was pursuing. (Instead, a much weaker FSB was created, which helped codify the deregulatory standards. To

be fair, even if a stronger regulatory body had been created, it is unlikely that stronger standards would have been adopted, with the opposition of the Bush administration wedded to a deregulatory philosophy.)

6. See, for instance, the discussion in chapter 6 of J. E. Stiglitz, *Making Globalization Work* (2006).

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